

VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA)

Title 5, United States Code, established the Voluntary Early Retirement Authority (VERA) to help agencies minimize involuntary separations or demotions resulting from the downsizing or restructuring of their workforce. VERA allows retirement under reduced age and service requirements (age 50 with 20 years of service, any age with 25 years of service). Under CSRS, the retirement annuity is reduced by 2% per year for each year the employee is under age 55. There is no reduction under Federal Employees Retirement System (FERS). Agencies can use this authority alone or in conjunction with buyout programs, to ease anticipated reorganizations, reductions in force, transfers of function, budget reductions, skill imbalances, and shifts in staffing needs so long as an involuntary separation or downgrade caused by reduction in force (RIF) is avoided.